

June 16, 2003

Mr. Anthony Ward
General Manager
Grand Rapids Public Utilities Commission
500 SE 4th St.
P.O. Box 658
Grand Rapids, MN 55744

Dear Mr. Ward:

This letter confirms that the Minnesota Environmental Quality Board has received notification that the Grand Rapids Public Utilities Commission has applied to the City of LaPrairie in Itasca County for a building permit to construct a 115/23 kV electric substation to serve the City of Grand Rapids and other customers. About 1000 feet of new right of way and transmission line are needed to connect the substation to three existing 115 kV transmission lines. All of the new right of way is located on GRPUC property.

This project falls under the Power Plant Siting Act, Minnesota Statutes § 116C.51-.69, and Minnesota Rules chapter 4400, which, for most transmission line projects over 100 kV, requires a permit from the EQB. Minn. Stat. § 116C.61 subd.1 provides that the EQB permit supersedes and preempts all zoning, building, or land use rules, regulations, or ordinances promulgated by regional, county, local, and special purpose government. However, for eligible projects, a utility may apply to those local units of government that have jurisdiction over the route for approval to build the project instead of applying to the EQB. The proposed 115 kV substation and transmission line project, as described, is eligible for local review. [Minn. Stat. § 116C.576 and Minn. R. part 4400.5000 subp. 2 C (see enclosure)]

You have indicated that the City of LaPrairie has sole local jurisdiction over the project. The City may relinquish its jurisdiction by requesting the EQB to assume jurisdiction within 60 days of the filing of an application with the local unit of government.

An environmental assessment must be prepared by the City. Specific requirements with regard to the environmental review process include an opportunity for the public to participate in the development of the scope of the environmental assessment before it is prepared, notification in the EQB Monitor of when the assessment is available for review and of the procedure for commenting on the assessment, and providing a copy of the assessment to the EQB. The final governmental decision on the project cannot be made until at least ten days after the notice appears in the EQB Monitor. [Minn. R. 4400.5000 subp. 5]

Also note the required notice by GRPUC to those persons on the EQB power plant siting general notification list that a permit has been applied for from the local unit of

government. [Minn. R. 4400.5000 subp. 3] If you wish I can provide you with a printout of the list of persons or an electronic Excel file.

If you have any other questions please feel free to contact me at 651-296-2878.

Sincerely,

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Enc.

cc. Ms. Marilyn Carlson, City Clerk, City of LaPrairie